



# 4<sup>th</sup> Quarter and Full Year FY17 Results

*28<sup>th</sup> March 2017*

**Go Beyond**

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# Key highlights of FY17 performance

**GROW**

- 4.8mn to 5.1mn customers
- 67% to 71% HH penetration
- 1.3mn to 1.7mn NJOI customers

**LEAD**

- 95% on B.yond STBs
- Vernacular content drives viewership
- 76% to 77% share of TV viewership
- 15.6mn radio listenership
- 912k Go Shop customers

**MONETISE**

- Go Shop grew revenue 38% YoY
- 70% to 73% Radex share
- 35% to 38% TV Adex share

**INVEST**

- Content IPs/verticals
- Digitalisation & customer experience
- Operational efficiencies
- Reach & scale

**Revenue +2%**

RM5.48bn → RM5.61bn

**Adex +10%**

RM640mn → RM705mn

**EBITDA -6%**

RM1.94bn → RM1.82bn

**PATAMI +1%**

RM615mn → RM624mn

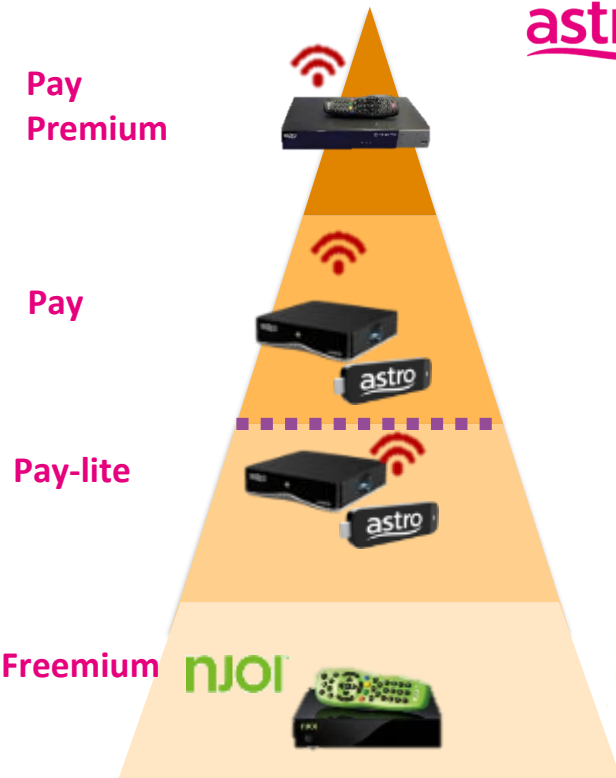
**FCF of RM1.3bn +3%**

211% of PATAMI

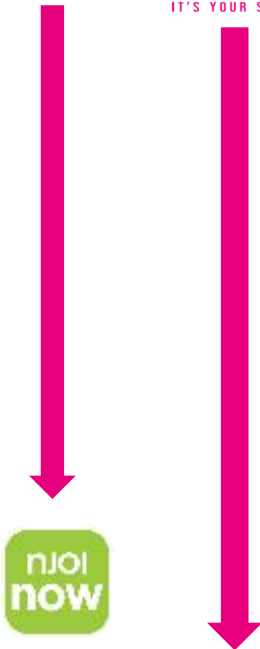
# Winning Malaysian consumers...

Households

Individuals



astro GO Tribe  
IT'S YOUR SHOW



nJOI now

Serving households and individuals; multi-screens

**BEST OF ON-DEMAND AND DAY/DATE**  
(own all windows and screens)

- Exclusive content and box sets
- Premium window content
- Content portability

**SIGNATURE VERNACULAR IPs**

- Repurpose for digital and millennials

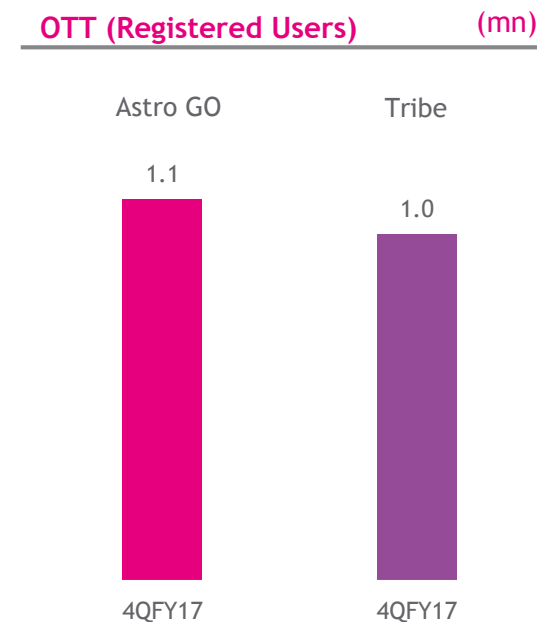
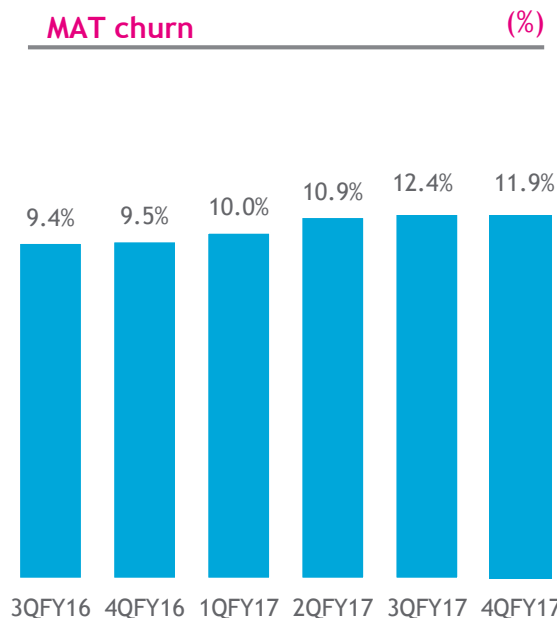
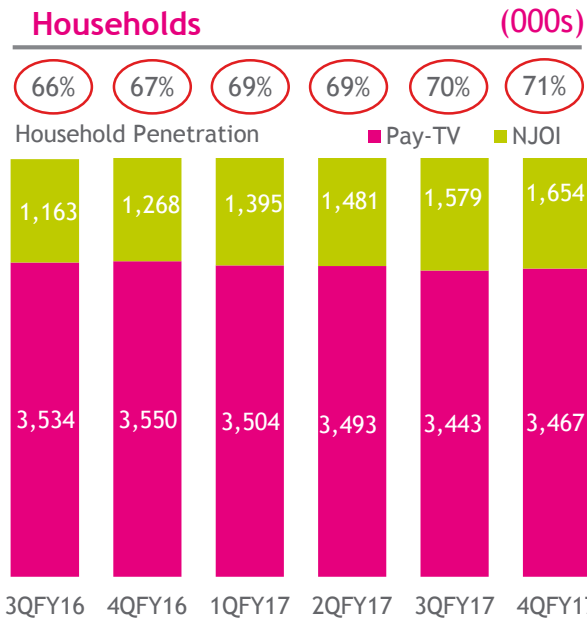
**LINEAR EXCLUSIVES**

**SPORTS**

- Best of linear, premium live sports
- eSports for millennials

astro

# ...and serving 5.1mn households and 21mn individuals, including 1mn Tribe registered users, across the region



# Increase in viewership share, daily viewers & time spent...

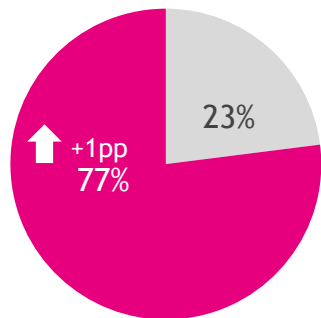
Pay-TV  
**188**  
channels

**72**  
Astro-branded  
channels

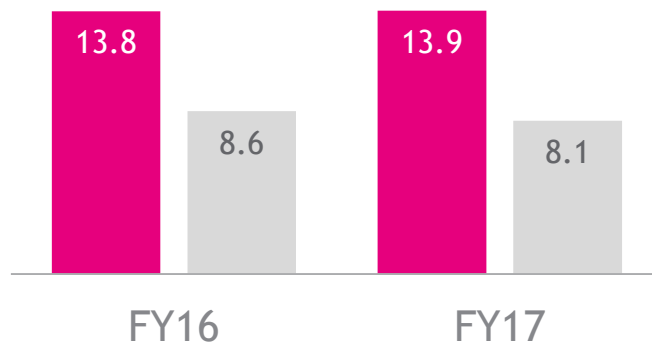
**60**  
HD channels

NJOI  
**28**  
channels

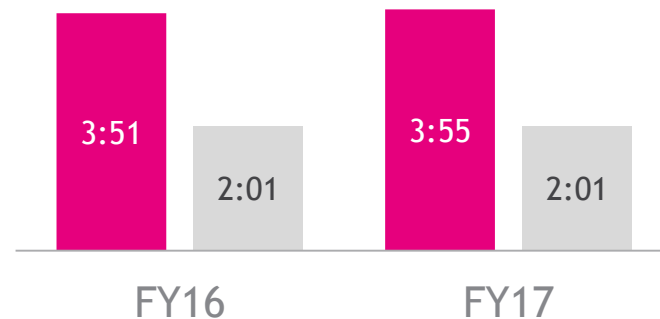
## Viewership Share



## Avg. Daily Viewers (mn)



## Avg. Time Spent/Day



■ Astro ■ FTA

# ...with growing flagship digital brands & services

# 1 Leading local online media on Comscore

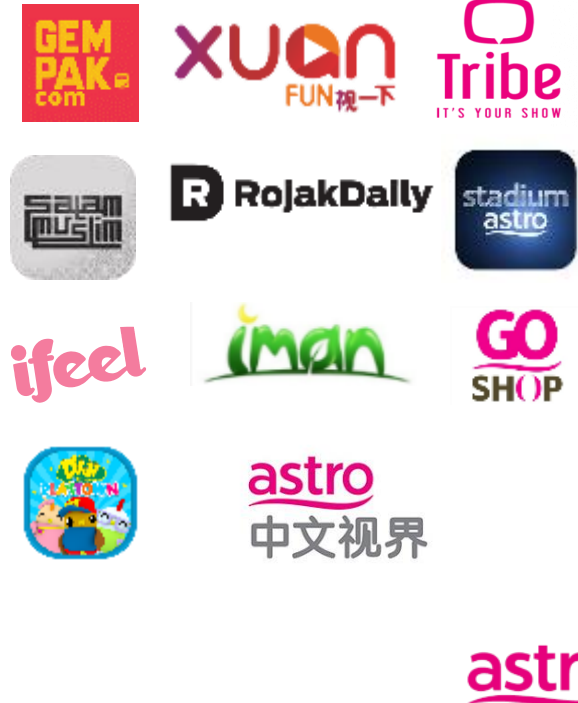
# 1 Best for reaching millennials & digital natives

# 1 Best for reaching Malay audiences

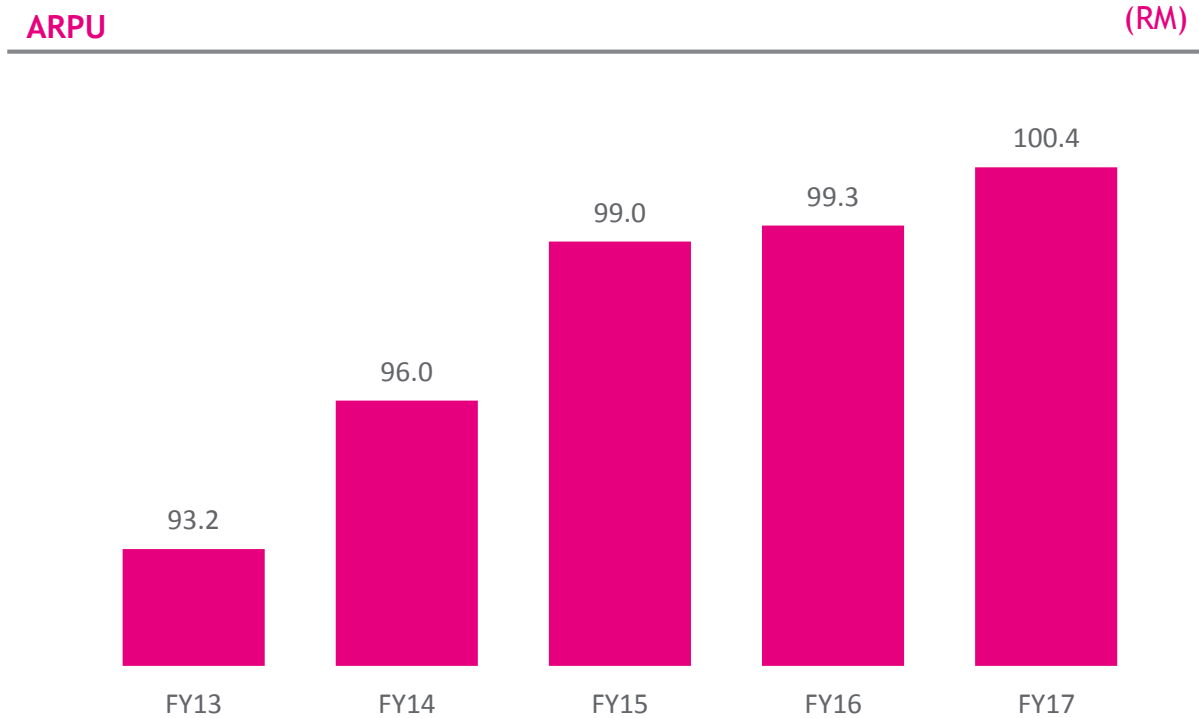
## Local No. 1



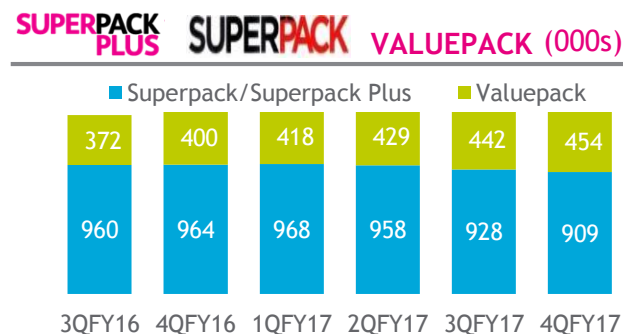
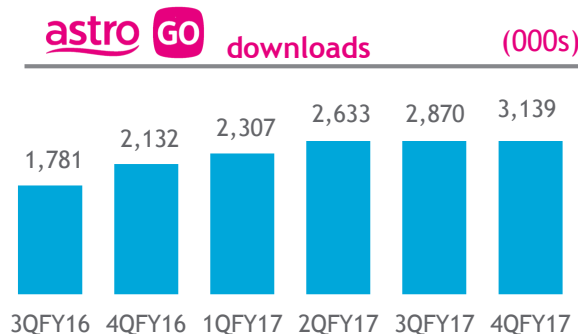
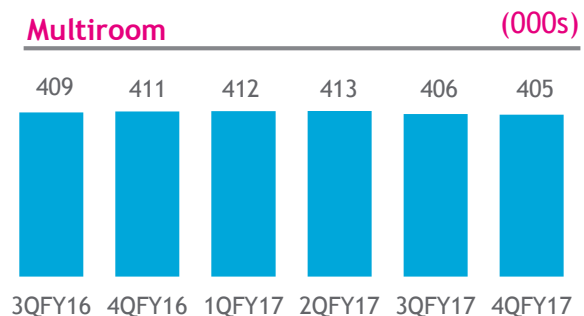
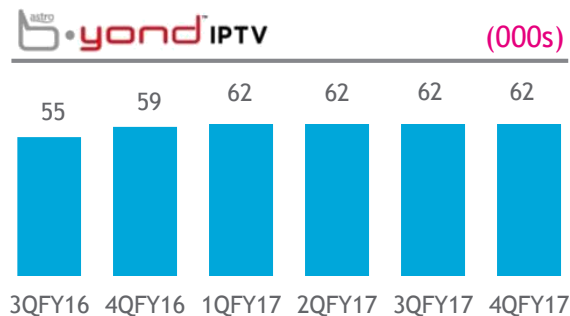
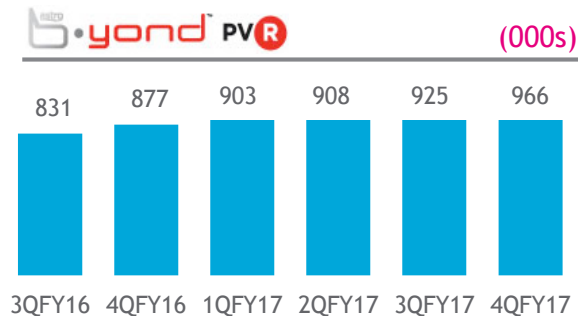
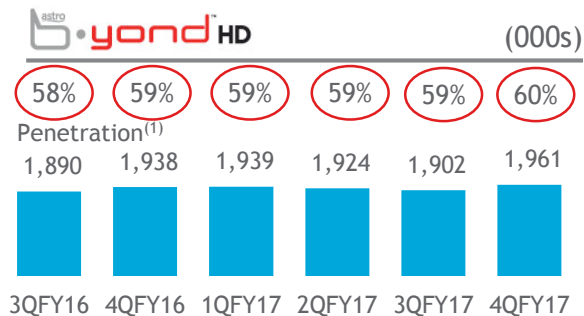
## Ready to scale regionally



# Gaining a higher share of the consumer wallet



# Upselling of value-added products and services remains a key priority



NB (1) As a % of customers with B.yond STB

# Astro GO: Entertaining fans anytime, anywhere

3mn

App downloads

203%

Increase of daily activities in Android

23k

VOD titles, 16k hours of VOD, 71 linear channels

astro GO

2.3mn

Sessions

14.5mn

Screen views

- Migrated to new OTT platform with new enhanced user interface
- Personalised recommendations, deep linking, enhanced user experience, social share and overall app performance uplift
- Increase of daily active users by 35% on iOS and 203% on Android

## Average Weekly Consumption

179 mins

↑ 14%+  
vs FY16

# Breaking viewership records with our diverse IPs



5.2mn



210k



2.0mn



4.9mn



5.0mn



318k



2.9mn

# Suri Hati Mr. Pilot, our highest-rated show of all time



MOST WATCHED SHOW

**5.2mn** VIEWERSHIP



MOST TALKED ABOUT SHOW

**1mn** CONVERSATIONS



**4.6mn**

TOTAL DIGITAL VIEWS



**#1**

MOST GOOGLED  
DRAMA



**46mn**

SOCIAL MEDIA  
REACH



**SOLD OUT**

GSC MEET & GREET

# Strong results from our first animation IP, Didi & Friends



## Content Ratings

**You Tube** 381mn Views

**astro ceria** 2.9mn Viewership

**394k** Subscribers



## #1 in App, Music, TV

**iSOOKA**




#1 Range

**astrofirst**



Astro First Karaoke Channel



Didi & Friends The Series - March 2017

**Bingo**



English version launched

**METROJAYA**



Metrojaya Store, The Curve

**PAPAKU PILANG DARI KOTA**



Didi & Friends Playtown App: #1 Astro App



Streaming, iTunes, CD, DVD Release: #1 Album



Retail & merchandise: Outsold Minions by 4x

# We are transforming our core business...



To be a **Digital-First, Cloud-First, Mobile-First** Entertainment & Lifestyle company that delivers **exceptional customer experiences**

## Organisation

Develop a **collaborative & innovative culture**

## People

Inculcate **mindset & skills** to foster innovation

## Processes

Design Astro-optimised **products & capabilities**

## Technology

Adopt **cloud, advanced analytics & agile model**

## Achieve

**Innovate & Diversify Revenue Streams**

**Expand Platform & Monetise Capabilities**

**Agile Operating Model for Higher Efficiency**

**Build New Digital Capabilities**

↑ Speed to Market

↑ Cross Selling

↑ Customer Satisfaction

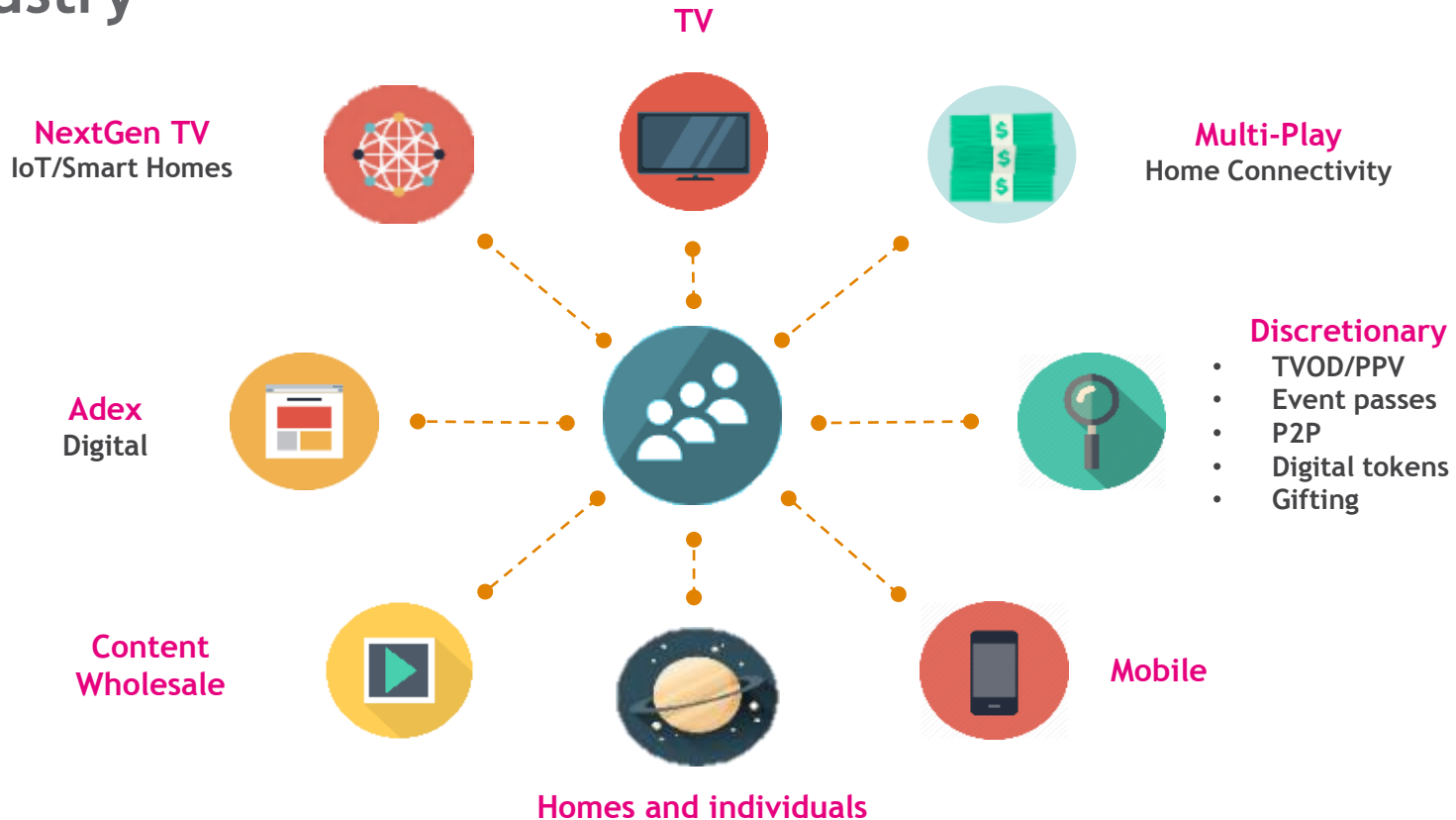
↓ Cost of Experimentation

↑ Customer Acquisition

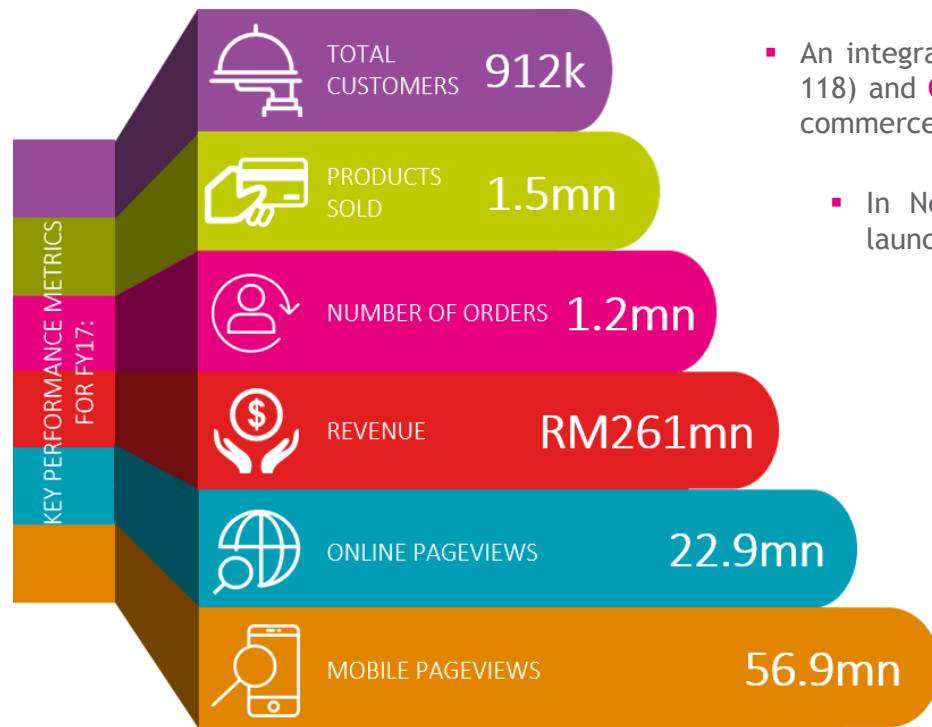
↓ Cost of Delivery - IT

↑ Automation

# ...and well-positioned to capture growth opportunities across the industry



# Go Shop: Continued growth across Malaysia and Singapore, revenues up **38% YoY**



- An integrated shopping platform with Malaysia's first 24-hour **Malay** (Ch. 118) and **Chinese language** (Ch. 318) home shopping channels, phone, e-commerce and m-commerce
- In November 2016, **Go Shop Singapore**, a Mandarin-channel was launched in partnership with Starhub on StarHub Channel 110
- Go Shop Singapore will leverage on StarHub's **deep insight into consumers' media consumption** and **purchasing habits** to serve the sophisticated and affluent Singaporean market
- Go Shop is set to develop its own IP for **Islamic lifestyle products in FY18** as an example of its product and branding differentiation strategy

# Our OTT service, **Tribe**, strengthens our regional proposition

Through targeted marketing and strong partnerships across both the Philippines and Indonesia, Tribe has **reached close to 1 million registered users since launch**



## PHILIPPINES

Strategic partnership with **telco giant, Globe Telecom**, provides Tribe with access to:

- Distribution and brand presence in over 70 Globe retail stores nationwide
- Globe's digital channels and social media

Both parties are actively exploring **content collaborations** to further enhance proposition to end users

## INDONESIA

- Strong **OOH branding efforts, targeted digital marketing, and engaging on-ground activities**
- Tribe is actively exploring partnerships with telcos to further enhance growth in Indonesia



# FY17 snapshot

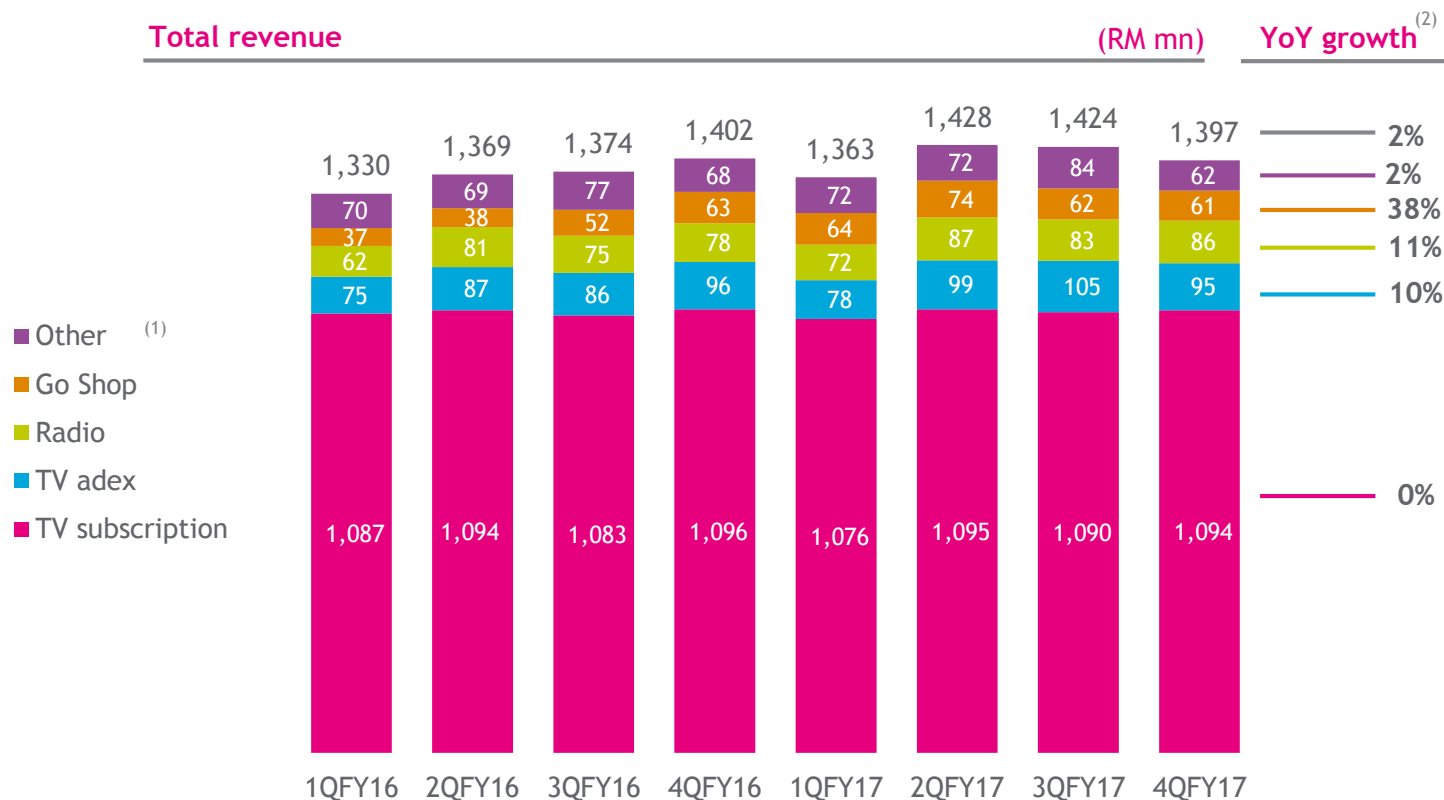
Highlights	FY16	FY17	Growth
TV households (000s) <sup>(1)</sup>	7,143	7,207	1%
TV household penetration <sup>(2)</sup>	67%	71%	4pp
TV household penetration (000s)	4,818	5,121	6%
<i>Pay TV households (000s)</i>	<i>3,550</i>	<i>3,467</i>	<i>(2%)</i>
<i>NJOI households (000s)</i>	<i>1,268</i>	<i>1,654</i>	<i>30%</i>
Pay TV gross adds (000s)	373	330	(12%)
MAT churn	10%	12%	2pp
Net adds (000s)	389	302	(22%)
<i>Pay TV households (000s)</i>	<i>40</i>	<i>(83)</i>	<i>(308%)</i>
<i>NJOI households (000s)</i>	<i>349</i>	<i>386</i>	<i>11%</i>
B.yond STB penetration	93%	95%	2pp
ARPU (RM)	99.3	100.4	1%
Astro TV viewership share <sup>(3)</sup>	76%	77%	1pp
Radio listenership (mn) <sup>(4)</sup>	12.8	15.6	22%
Adex (RM mn)	640	705	10%
Revenue (RM mn)	5,475	5,613	2%
EBITDA (RM mn)	1,941	1,817	(6%)
EBITDA margin	35%	32%	(3pp)
PATAMI (RM mn)	615	624	1%
FCF (RM mn)	1,276	1,317	3%
EPS (RM sen)	11.8	12.0	2%

NB

- (1) TV household data sourced from the Department of Statistics Malaysia and Media Partners Asia
- (2) Household penetration includes both residential Pay-TV customers and NJOI customers
- (3) Viewership share is based on DTAM deployed by Kantar Media as of FY17. Comparatives in FY16 are updated accordingly
- (4) There is a change in audience measurement partner for the radio industry in Malaysia commencing H2FY17. The ratings prior to the change was provided by Nielsen whereas it is now being provided by GfK. Share of radex is based on internal estimates
- (5) Data presented are for the 12 months ended 31 January
- (6) Numbers may not add up due to rounding differences



# YoY revenue growth underpinned by Go Shop and Adex



NB

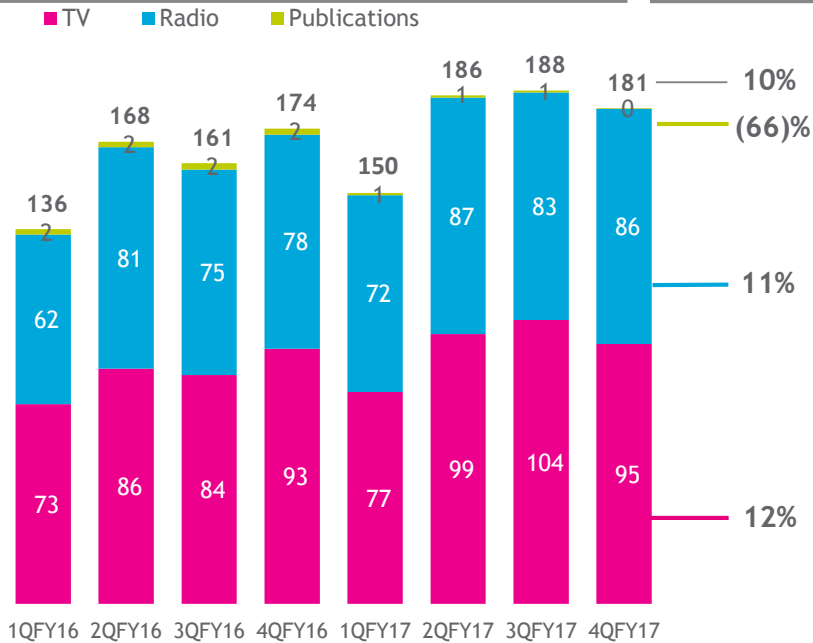
(1) Other revenue includes licensing income, publications adex, programme sales, NJOI revenue and theatrical revenue

(2) YoY refers to FY17 vs. FY16

(3) Numbers may not add up due to rounding differences

# Advertising income consistently outperforming the industry

## Advertising income <sup>(1)</sup> (RM mn) YoY growth <sup>(2)</sup>



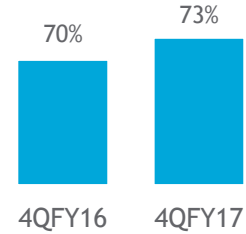
Total Malaysia gross ADEX YoY growth <sup>(2)(5)</sup>

OVERALL ADEX (2%)

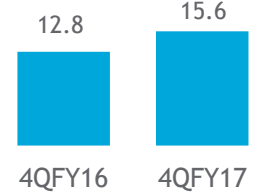
RADIO 5%

TV 2%

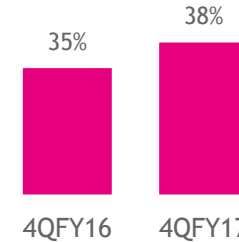
## Share of Radex



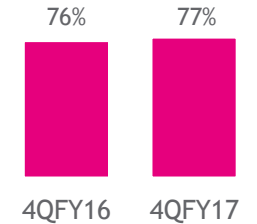
## Radio listeners (mn) <sup>(3)</sup>



## Share of TV adex



## Astro TV viewership share <sup>(4)</sup>



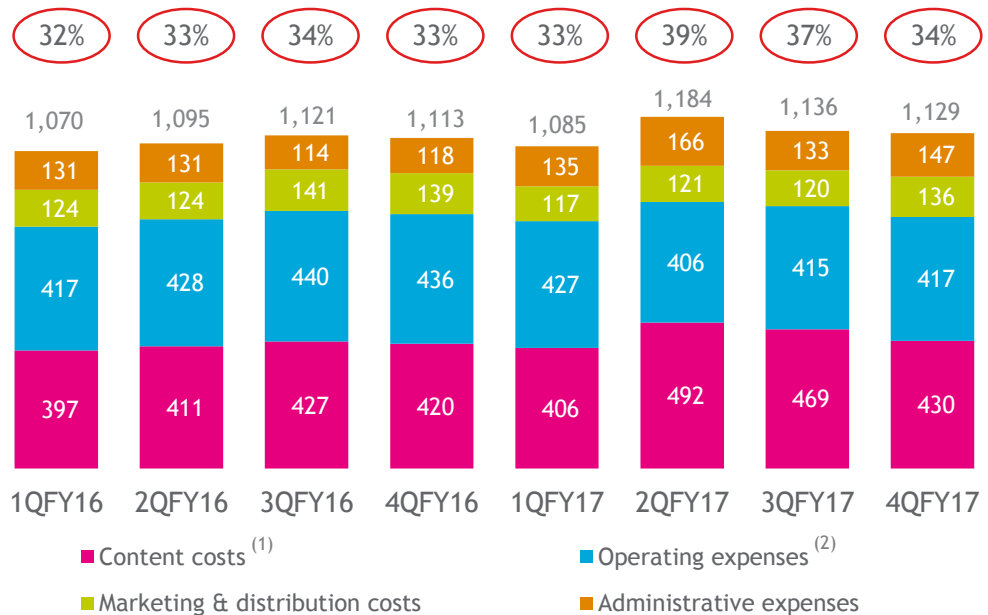
NB

- (1) Advertising income is net of commissions and discounts
- (2) YoY refers to FY17 vs. FY16
- (3) There is a change in audience measurement partner for the radio industry in Malaysia commencing H2FY17. The ratings prior to the change was provided by Nielsen whereas it is now being provided by GfK. Share of radex is based on internal estimates

- (4) Viewership share is based on DTAM deployed by Kantar Media as of FY17, comparatives in FY16 are updated accordingly. Share of TV adex is based on Astro and Group M's estimates
- (5) Malaysia gross adex figures are based on Nielsen and Group M's data
- (6) Numbers may not add up due to rounding differences

# Cost optimisation success despite global rise in content cost and USD strength

## Total operating expenditure (RM mn)



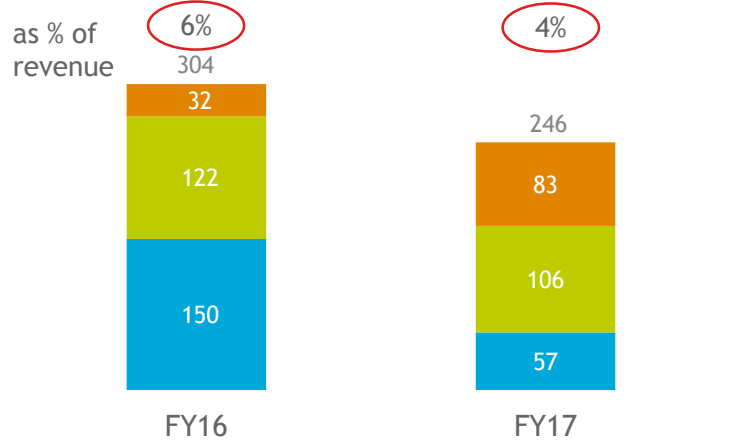
Content cost as % of TV revenue

NB

- (1) Content costs and operating expenses are jointly disclosed as cost of sales in our financial statements
- (2) Operating expenses include STB installation and smartcard costs, depreciation and amortisation, as well as maintenance costs
- (3) Numbers may not add up due to rounding differences

# Applying ROI discipline in capex spend

## Cash capex (RM mn)



■ Revenue Growth ■ Digitalisation ■ Capital Maintenance

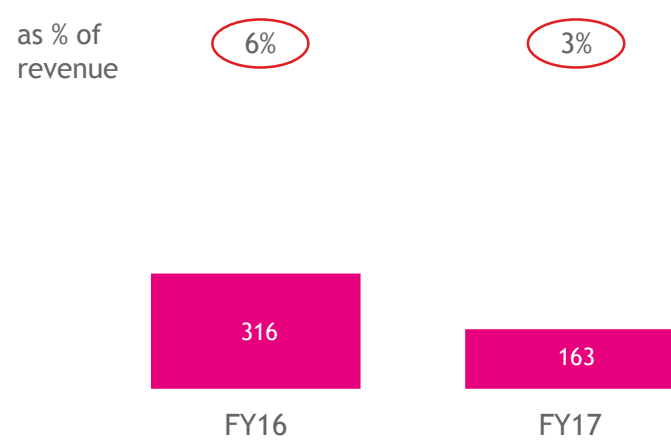
Key capex investments in FY17 include:

- Product and service upgrading
- Technology infrastructure
- Customer experience

NB

- (1) Data presented are for the 12 months ended 31 January
- (2) Numbers may not add up due to rounding differences

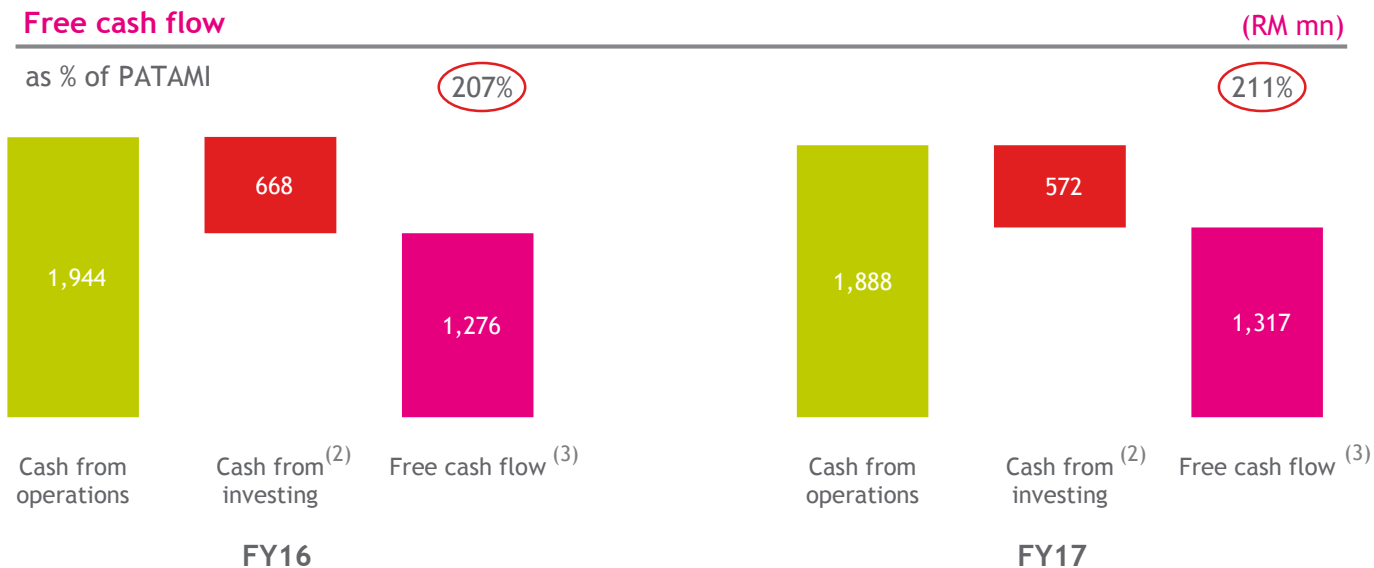
## Capitalised capex (RM mn)



- STBs/ODUs are owned by Astro, and are capitalised
- STBs/ODUs are conservatively amortised over 3 years; note that actual useful life is typically greater than 5 years
- Discretionary 36 month bullet payment vendor financing is available for Astro for STB/ODU purchases
- RM801mn of vendor financing recorded in payables, of which RM311mn is current and RM490mn is non-current



# Strong cash generation significantly exceeds PATAMI...



...enabling significant flexibility on capital management and dividend policy

NB

- (1) Data presented are for the 12 months ended 31 January
- (2) Excludes investments, disposals and maturities of unit trust and money market funds
- (3) Excludes repayments of vendor financing and payments of finance leases, which are categorised as cash from financing to be consistent with Bursa disclosure
- (4) Numbers may not add up due to rounding differences

# Quarterly dividend announcement

- Leveraging on invested capital, AMH continues to be highly cash generative
- The Board of Directors of AMH has declared a quarterly dividend of **3.00 sen per share** for 4QFY17 and a final dividend of **0.50 sen per share**, subject to shareholders' approval at the upcoming AGM in June 2017
- Quarterly dividend entitlement and payment dates: **12<sup>th</sup> April 2017** and **27<sup>th</sup> April 2017**, respectively



# *Appendix*

**Go Beyond**

# PAT reconciliation

(RM mn)	FY16	FY17
<b>EBITDA</b>	<b>1,941</b>	<b>1,817</b>
<i>Margin %</i>	35%	32%
Depreciation and amortisation <sup>(1)</sup>	(826)	(721)
<b>EBIT</b>	<b>1,115</b>	<b>1,095</b>
<i>Margin %</i>	20%	20%
Finance income	53	35
Finance cost	(346)	(272)
Share of post tax results from investments	8	2
Impairment of investments accounted for using the equity method	-	(15)
<b>PBT</b>	<b>829</b>	<b>846</b>
Tax expense	(221)	(229)
<i>Tax rate %</i>	27%	27%
<b>PAT</b>	<b>608</b>	<b>617</b>
<b>PATAMI</b>	<b>615</b>	<b>624</b>
<i>Margin %</i>	11%	11%
<b>Normalised PATAMI <sup>(2)</sup></b>	<b>662</b>	<b>648</b>
<i>Margin %</i>	12%	12%

NB

- (1) Depreciation and amortisation excludes the amortisation of film library and programme rights which is expensed as part of content costs (cost of sales)
- (2) Normalised PATAMI excludes post-tax impact of unrealised forex loss (RM33.7m) due to revaluation of M3B transponder lease liability
- (3) Numbers may not add up due to rounding differences

# Group Balance Sheet overview

(RM mn)	FY16	FY17
<b>Non-current assets</b>	<b>4,813</b>	<b>4,559</b>
Property, plant and equipment	2,129	1,818
Other non-current assets	2,683	2,741
<b>Current assets</b>	<b>2,088</b>	<b>1,707</b>
Receivables and prepayments	955	859
Cash and bank balances <sup>(1)</sup>	979	647
Other current assets	154	202
	<b>6,901</b>	<b>6,266</b>

(RM mn)	FY16	FY17
<b>Non-current liabilities</b>	<b>4,006</b>	<b>3,356</b>
Payables	626	490
Borrowings	3,286	2,776
Other non-current liabilities	94	90
<b>Current liabilities</b>	<b>2,281</b>	<b>2,280</b>
Payables	1,658	1,627
Borrowings	520	629
Other current liabilities	104	24
<b>Shareholders' equity</b>	<b>614</b>	<b>630</b>
	<b>6,901</b>	<b>6,266</b>

**Net debt / LTM EBITDA: 1.5x**

NB

- (1) Includes money market unit trusts
- (2) Data presented are as at 31 January
- (3) Numbers may not add up due to rounding differences

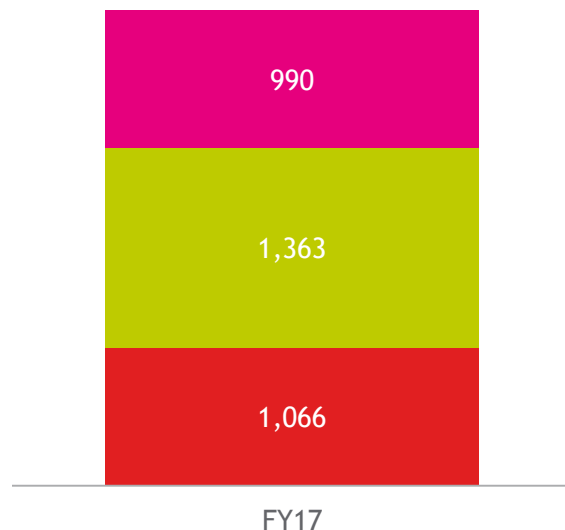
# Debt profile

## Total borrowings

(RM mn)

■ Finance lease ■ RM term loan ■ USD term loan

Total borrowings is net of debt issuance costs (RM13.5 mn) ▶ 3,406



## Details of borrowings

### USD term loan

- As at 31 January 2017, outstanding principal US dollar term loan stood at US\$222.75mn. The eighth principal repayment of USD24.75mn (RM74.72mn) is scheduled to be paid on 8 June 2017
- Fully hedged via cross currency interest rate swap at an exchange rate of USD/RM3.0189 and an all-in interest rate of 4.19% p.a.
- Back ended amortisation schedule. With first drawdown date of 8 June 2011, average life is 7 years with final maturity date of 8 June 2021

### RM term loan

- As at 31 January 2017, total outstanding principal RM term loan stood at RM1,350mn. The eighth principal repayment of RM150mn is scheduled to be paid on 19 May 2017
- All-in interest rate (post-hedging) for the hedged portion of RM1,012.5mn is 5.4467% while balance unhedged of RM337.5mn stood at 4.8200% (variable floating rate based on cost of funds)
- Back ended amortisation schedule. With first drawdown date of 19 May 2011, average life is 7 years with final maturity date of 19 May 2021

### Finance lease (primarily satellite transponders)

- Finance lease related to lease of Ku-band transponders on MEASAT-3, MEASAT-3A and MEASAT-3B. Payment arrangement for the remaining contractual years for M3 and M3A have been redenominated into Ringgit at USD/RM3.0445 w.e.f. 21 May 2013. The unhedged portion of the finance lease related to M3B is USD122.0m
- Effective interest rate: 6.2%, 12.5% and 5.6% p.a. for M3, M3A and M3B respectively
- Average life: 15 years

**astro**

**Thank you**

**Go Beyond**